

~~SECRET~~

~~CONFIDENTIAL~~

ALC BRIEFING

1 December 1954

SITUATION IN SOUTH VIETNAM

I. ~~Custer of General Binh~~ ~~_____~~

~~_____~~

- A. ~~_____~~ immediate cause of action presumably Binh's statement to press he would return Saigon whatever Bao Dai's decision may be.
- B. ~~_____~~ Terms of dismissal decree, charging Binh with disobedience, indicate Bao Dai abandoning earlier equivocal stand.

II. Army-government reconciliation will not result automatically; Binh capable of causing further trouble.

- A. Once stated he would oppose Diem politically if fired.
- B. Recently boasted he could carry out coup from Paris by telegram.
- C. Reportedly had systematically begun putting his own men in as unit commanders before leaving for Paris.
- D. Tension within army still high despite smoothing over of recent pro-Diem demonstration.
- E. General Ely recently voiced suspicion that acting chief of staff Vy had sworn loyalty to Binh; expressed fear Diem-Binh feud might be replaced by Diem-Vy dispute.

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2. Vy does in fact lack Diem's confidence.

III. Actually, Binh is political lightweight, but French backing could offset this.

- A. French officials who have backed Binh could switch to other anti-Diem champions.
- B. French army officers have vested interest in continuance of anti-Diem feeling in army, since Diem favors US takeover of training responsibility.
- C. Recent official French broadcast from Saigon criticized Diem, warned Viets against "heavy hand" of US. Vietnam army radio ^{(FOLLOWED SAME LINE UNTIL} ~~before and since~~ ^{DISMISSAL @} Binh's departure, has followed same line.

IV. Meanwhile, Viet Minh making capital of chaos in south.

- ~~Viet Minh propaganda is exploiting Diem's army radio criticism of Diem as instances of US bolstering of unpopular government.~~
- B. Viet Minh continuing to consolidate shadow government over much of Southern Vietnam ~~despite recent troop withdrawal.~~

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